

THACHER, PROFFITT & WOOD

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DIANA G. BROWNE
LAURIS G. L. RALL

RECORDATION NO. 14724-B

SEP 19 1985 - 10 55 AM

INTERSTATE COMMERCE COMMISSION

WRITER'S DIRECT DIAL NUMBER

(212) 483-5939

SEP 19 1985 - 10 55 AM

INTERSTATE COMMERCE COMMISSION

SEP 19 1985

Date

Fee \$ 20.00

ICC Washington, D. C.

5-262A051

September 13, 1985

File First

TOO OFFICE OF
THE SECRETARY
SEP 15 10 35 AM '85
MOTOR OPERATING UNIT

*NOT ADMITTED IN NEW YORK

Mr. James H. Bayne
Secretary
Interstate Commerce Commission
Washington, D.C.

Dear Mr. Bayne:

I have enclosed eight (8) originals of each of the documents described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

The first document is an Amendment Number One to Lease of Railroad Equipment, dated as of September 16, 1985, a secondary document. The primary document to which this document relates is a Lease of Railroad Equipment, dated as of May 31, 1985, recorded with the Interstate Commerce Commission on June 28, 1985 as recordation number ~~14724~~. 14724

The names and addresses of the parties to this document are as follows:

Lessor: CIS Rail Corporation
909 Montgomery Street
San Francisco, California 94133

Lessee: Missouri-Kansas-Texas Railroad Company
701 Commerce Street
Dallas, Texas 75202

The second document is an Assignment of Lease and Agreement, dated as of September 16, 1985, a secondary document. The primary document to which this document relates is a Lease of

14724-B
Conteppan
F. Wood

Railroad Equipment, dated as of May 31, 1985, recorded with the Interstate Commerce Commission on June 28, 1985 as recordation number 14247.

The names and addresses of the parties to this document are as follows:

Assignor: CIS Rail Corporation
909 Montgomery Street
San Francisco, California 94133

Assignee: Liberty Life Insurance Company
2000 Wade Hampton Boulevard
Greenville, South Carolina 29615

A description of the equipment covered by these documents are as follows:

One (1) General Motors Corporation (Electromotive Division) Model SD-40-2, 3000 horsepower locomotive constructed pursuant to Specification 8087, and rebuilt pursuant to the Locomotive Manufacturing Agreement dated as of December 20, 1984, between Missouri-Kansas-Texas Railroad Company ("MKT") and CIS Rail Corporation, bearing MKT's road number 637.

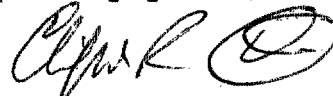
A short summary of the document to appear in the index follows:

Covers one locomotive: 637.

A total fee of \$20 is enclosed to cover the filing fees for these documents.

Please return to bearer the stamped counterparts not needed by the Commission for its files.

Very truly yours,



Clifford R. Ennico

Interstate Commerce Commission
Washington, D.C. 20423

9/19/85

OFFICE OF THE SECRETARY

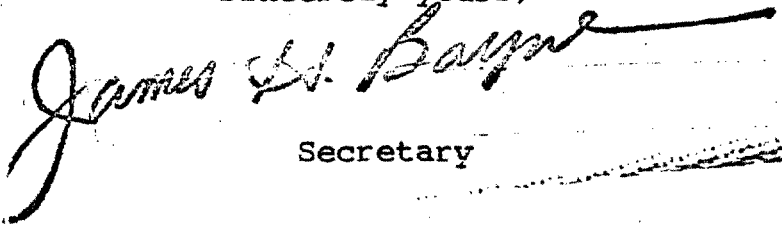
Clifford R. Emico
Thacher Proffitt & Wood
40 Wall Street
New York, N.Y. 10005

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 9/19/85 at 10:55am and assigned re-recording number(s).

14724-A & 14724-B & 14790

Sincerely yours,


Secretary

Enclosure(s)

~~14724~~-B
14724

SEP 19 1985 -10 55 AM
INTERSTATE COMMERCE COMMISSION

ASSIGNMENT OF LEASE AND AGREEMENT

This Assignment of Lease and Agreement dated as of September 16, 1985 (the "Assignment") by and between CIS Rail Corporation (the "Assignor"), and Liberty Life Insurance Company (the "Assignee").

WHEREAS, in order to provide security for the obligations of the Assignor under the Security Agreement dated as of September 16, 1985 between the Assignee and the Assignor (the "Security Agreement"), and under the Promissory Note issued pursuant to the Security Agreement and as an inducement to the Assignee to enter into, and advance funds and otherwise perform pursuant to, the Security Agreement, the Assignor has agreed to assign to the Assignee for security purposes certain of its rights in, to and under the Lease of Railroad Equipment, dated as of May 31, 1985, between the Assignor, as lessor, and Missouri-Kansas-Texas Railroad Company (the "Lessee") as lessee (the "Lease").

NOW THEREFORE, in consideration of the premises and the mutual agreements herein contained, the parties hereto agree as follows:

1. Except as provided in Section 1 of the Security Agreement, with respect to the Excepted Rights in Collateral more particularly described therein, the Assignor hereby assigns, transfers and sets over unto the Assignee, as collateral security for the payment and performance of the Assignor's obligations under the Security Agreement and the Promissory Note issued pursuant thereto, all of the Assignor's right, title and interest as lessor under the Lease, along with all rights, powers, privileges and other benefits of the lessor under the Lease.

2. The Assignee agrees to accept any payments made by the Lessee pursuant to the Lease. To the extent received, the Assignee will apply such payments under the Lease, or cause the same to be applied, as provided by the Security Agreement.

3. This Assignment is executed only as security and, therefore, the execution and delivery of this Assignment shall not subject the Assignee to, or transfer or pass, or in any way affect or modify, any liability of the Assignor under the Lease, it being understood and agreed that notwithstanding this Assignment, all obligations of the Assignor to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Assignor or persons other than the Assignee.

4. Upon the full discharge and satisfaction of all of the Assignor's obligations under the Security Agreement and under the Promissory Note issued to the Assignee pursuant to the Security Agreement, this Assignment and all rights, powers, privileges and other benefits herein assigned and granted to the Assignee shall terminate, and all estate, right, title and interest of the Assignee in, to and under the Lease shall revert to and vest in the Assignor.

5. All of the rights of the Assignee under this Assignment are expressly subject and subordinate to the rights of the Lessee under the Lease. Neither the Assignor nor any assignee or transferee of the Assignor, including without limitation the Assignee, shall have or acquire the right to terminate or impair the Lessee's possession or use of the Equipment as defined in the Security Agreement, unless an Event of Default under the Lease shall have occurred and be continuing.

6. This Assignment shall be construed under and governed by the laws of the State of California, without regard to principles of conflict of laws. The terms defined in the Security Agreement and in the Lease shall, for the purpose of this Assignment, have the meanings herein as so defined therein.

7. The Lessee, by its execution of this Assignment in the space provided below, agrees to make all payments of rental and Casualty Value (as defined in the Lease) under the Lease to the Assignee as set forth in the Security Agreement and in that certain letter agreement dated September __, 1985 between Assignor and Lessee captioned "Notice of Assignment."

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first above written.

CIS RAIL CORPORATION

(SEAL)

By 

Name and Title:

Attest: 

Name and Title:

Senior Resident Manager

LIBERTY LIFE INSURANCE
COMPANY

(SEAL)

By _____

Name and Title:

Attest: _____

Name and Title:

ACKNOWLEDGED AND AGREED TO:

MISSOURI-KANSAS-TEXAS RAILROAD
COMPANY

By _____
Name and Title:

(SEAL)

Attest: _____
Name and Title:

STATE OF CALIFORNIA)
 : ss.
COUNTY OF SAN FRANCISCO)

On this 17 day of September, 1985, before me personally appeared STEPHEN C. BIENEMAN, to me personally known, who being by me duly sworn, says that he is the PRESIDENT of CIS RAIL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.



Celo de la Montanya
Notary Public

My commission expires: 4-17-87

STATE OF SOUTH CAROLINA)
 : ss.
COUNTY OF GREENVILLE)

On this _____ day of September, 1985, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ of LIBERTY LIFE INSURANCE COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

(SEAL)

My commission expires:

STATE OF TEXAS)
 : ss.
COUNTY OF DALLAS)

On this _____ day of September, 1985, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ of MISSOURI-KANSAS-TEXAS RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

(SEAL)

My commission expires:

ASSIGNMENT OF LEASE AND AGREEMENT

This Assignment of Lease and Agreement dated as of September 16, 1985 (the "Assignment") by and between CIS Rail Corporation (the "Assignor"), and Liberty Life Insurance Company (the "Assignee").

WHEREAS, in order to provide security for the obligations of the Assignor under the Security Agreement dated as of September 16, 1985 between the Assignee and the Assignor (the "Security Agreement"), and under the Promissory Note issued pursuant to the Security Agreement and as an inducement to the Assignee to enter into, and advance funds and otherwise perform pursuant to, the Security Agreement, the Assignor has agreed to assign to the Assignee for security purposes certain of its rights in, to and under the Lease of Railroad Equipment, dated as of May 31, 1985, between the Assignor, as lessor, and Missouri-Kansas-Texas Railroad Company (the "Lessee") as lessee (the "Lease").

NOW THEREFORE, in consideration of the premises and the mutual agreements herein contained, the parties hereto agree as follows:

1. Except as provided in Section 1 of the Security Agreement, with respect to the Excepted Rights in Collateral more particularly described therein, the Assignor hereby assigns, transfers and sets over unto the Assignee, as collateral security for the payment and performance of the Assignor's obligations under the Security Agreement and the Promissory Note issued pursuant thereto, all of the Assignor's right, title and interest as lessor under the Lease, along with all rights, powers, privileges and other benefits of the lessor under the Lease.

2. The Assignee agrees to accept any payments made by the Lessee pursuant to the Lease. To the extent received, the Assignee will apply such payments under the Lease, or cause the same to be applied, as provided by the Security Agreement.

3. This Assignment is executed only as security and, therefore, the execution and delivery of this Assignment shall not subject the Assignee to, or transfer or pass, or in any way affect or modify, any liability of the Assignor under the Lease, it being understood and agreed that notwithstanding this Assignment, all obligations of the Assignor to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Assignor or persons other than the Assignee.

4. Upon the full discharge and satisfaction of all of the Assignor's obligations under the Security Agreement and under the Promissory Note issued to the Assignee pursuant to the Security Agreement, this Assignment and all rights, powers, privileges and other benefits herein assigned and granted to the Assignee shall terminate, and all estate, right, title and interest of the Assignee in, to and under the Lease shall revert to and vest in the Assignor.

5. All of the rights of the Assignee under this Assignment are expressly subject and subordinate to the rights of the Lessee under the Lease. Neither the Assignor nor any assignee or transferee of the Assignor, including without limitation the Assignee, shall have or acquire the right to terminate or impair the Lessee's possession or use of the Equipment as defined in the Security Agreement, unless an Event of Default under the Lease shall have occurred and be continuing.

6. This Assignment shall be construed under and governed by the laws of the State of California, without regard to principles of conflict of laws. The terms defined in the Security Agreement and in the Lease shall, for the purpose of this Assignment, have the meanings herein as so defined therein.

7. The Lessee, by its execution of this Assignment in the space provided below, agrees to make all payments of rental and Casualty Value (as defined in the Lease) under the Lease to the Assignee as set forth in the Security Agreement and in that certain letter agreement dated September __, 1985 between Assignor and Lessee captioned "Notice of Assignment."

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first above written.

CIS RAIL CORPORATION

(SEAL)

By _____
Name and Title:

Attest: _____
Name and Title:

LIBERTY LIFE INSURANCE
COMPANY

(SEAL)

By Douglas W. Kroske
Name and Title:

Douglas W. Kroske
Assistant Vice President

Attest: Emilyn M. Angelitto
Name and Title: Asst. Sec'y

ACKNOWLEDGED AND AGREED TO:

MISSOURI-KANSAS-TEXAS RAILROAD
COMPANY

By _____
Name and Title:

(SEAL)

Attest: _____
Name and Title:

STATE OF CALIFORNIA)
 : ss.
COUNTY OF SAN FRANCISCO)

On this _____ day of September, 1985, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ of CIS RAIL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

(SEAL)

My commission expires:

STATE OF SOUTH CAROLINA)
 : ss.
COUNTY OF GREENVILLE)

On this 17th day of September, 1985, before me personally appeared Douglas W. Kroske, to me personally known, who being by me duly sworn, says that he is the Assistant Vice President of LIBERTY LIFE INSURANCE COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Mary Lou Brown
Notary Public

(SEAL)

My commission expires: 12/13/87

STATE OF TEXAS)
 : ss.
COUNTY OF DALLAS)

On this _____ day of September, 1985, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ of MISSOURI-KANSAS-TEXAS RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

(SEAL)

My commission expires:

ASSIGNMENT OF LEASE AND AGREEMENT

This Assignment of Lease and Agreement dated as of September 16, 1985 (the "Assignment") by and between CIS Rail Corporation (the "Assignor"), and Liberty Life Insurance Company (the "Assignee").

WHEREAS, in order to provide security for the obligations of the Assignor under the Security Agreement dated as of September 16, 1985 between the Assignee and the Assignor (the "Security Agreement"), and under the Promissory Note issued pursuant to the Security Agreement and as an inducement to the Assignee to enter into, and advance funds and otherwise perform pursuant to, the Security Agreement, the Assignor has agreed to assign to the Assignee for security purposes certain of its rights in, to and under the Lease of Railroad Equipment, dated as of May 31, 1985, between the Assignor, as lessor, and Missouri-Kansas-Texas Railroad Company (the "Lessee") as lessee (the "Lease").

NOW THEREFORE, in consideration of the premises and the mutual agreements herein contained, the parties hereto agree as follows:

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2. The Assignee agrees to accept any payments made by the Lessee pursuant to the Lease. To the extent received, the Assignee will apply such payments under the Lease, or cause the same to be applied, as provided by the Security Agreement.

3. This Assignment is executed only as security and, therefore, the execution and delivery of this Assignment shall not subject the Assignee to, or transfer or pass, or in any way affect or modify, any liability of the Assignor under the Lease, it being understood and agreed that notwithstanding this Assignment, all obligations of the Assignor to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Assignor or persons other than the Assignee.

4. Upon the full discharge and satisfaction of all of the Assignor's obligations under the Security Agreement and under the Promissory Note issued to the Assignee pursuant to the Security Agreement, this Assignment and all rights, powers, privileges and other benefits herein assigned and granted to the Assignee shall terminate, and all estate, right, title and interest of the Assignee in, to and under the Lease shall revert to and vest in the Assignor.

5. All of the rights of the Assignee under this Assignment are expressly subject and subordinate to the rights of the Lessee under the Lease. Neither the Assignor nor any assignee or transferee of the Assignor, including without limitation the Assignee, shall have or acquire the right to terminate or impair the Lessee's possession or use of the Equipment as defined in the Security Agreement, unless an Event of Default under the Lease shall have occurred and be continuing.

6. This Assignment shall be construed under and governed by the laws of the State of California, without regard to principles of conflict of laws. The terms defined in the Security Agreement and in the Lease shall, for the purpose of this Assignment, have the meanings herein as so defined therein.

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IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first above written.

CIS RAIL CORPORATION

(SEAL)

By _____
Name and Title:

Attest: _____
Name and Title:

LIBERTY LIFE INSURANCE
COMPANY

(SEAL)

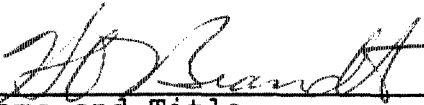
By _____
Name and Title:

Attest: _____
Name and Title:

ACKNOWLEDGED AND AGREED TO:


MISSOURI-KANSAS-TEXAS RAILROAD
COMPANY

By


Name and Title:
Vice President

(SEAL)

Attest:


Name and Title:
J. T. BASS
SECRETARY

STATE OF CALIFORNIA)
 : ss.
COUNTY OF SAN FRANCISCO)

On this _____ day of September, 1985, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ of CIS RAIL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

(SEAL)

My commission expires:

STATE OF SOUTH CAROLINA)
 : ss.
COUNTY OF GREENVILLE)

On this _____ day of September, 1985, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ of LIBERTY LIFE INSURANCE COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

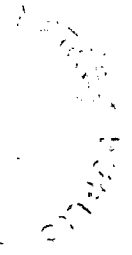
Notary Public

(SEAL)

My commission expires:

STATE OF TEXAS)
 : ss.
COUNTY OF DALLAS)

On this 17th day of September, 1985, before me personally appeared H.O. Brandt, to me personally known, who being by me duly sworn, says that he is the Vice President of MISSOURI-KANSAS-TEXAS RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.


Shirley Heermans
Notary Public

(SEAL)

My commission expires: April 29, 1986